FACT SHEET ADDENDUM FOR NPDES PERMIT WA-000372-7 AGRIUM U.S. INC.

SUMMARY

I. GENERAL INFORMATION

Facility: AGRIUM U.S., INC.

PO Box 5797 Finley Area

East End of Game Farm Road

Kennewick WA 99336

Ownership and Functions Changes

Since the previous permit (1998 permit renewal), Unocal sold this storage and transfer terminal to Agrium U.S. Normal staffing at the facility now consists of merely one person.

Anhydrous ammonia manufacturing has been discontinued. The Finley Area production equipment was isolated from utility lines, and the equipment is being dismantled. This shut down of manufacturing is a permanent change.

The Finley Area plant operates as a storage and transfer terminal. Its large storage tanks hold anhydrous ammonia, aqua ammonia, and two fertilizer solutions - Urea Ammonium Nitrate (UAN-32) and Calcium Ammonium Nitrate (CAN-17).

Anhydrous ammonia comes into the facility by rail. Agrium stores it under refrigeration at atmospheric pressure in one large insulated tank, and at a moderate temperature in two pressurized spheres. Agrium transfers the ammonia either by loading it into railcars or trucks, or by pipeline transfer to the Kennewick Area. The plant uses river water for refrigeration system cooling. Most often, the plant uses only one pump (instead of five), which reduces the total flow and discharge (14 MGD vs. 70 MGD) of non-contact cooling water. This change reduces the heat load Agrium sends to the Columbia River.

Aqua ammonia is produced on-site from scrubber water associated with storage and transfer operations, and by manufacture in an aqua ammonia mixer. Before, chlorine testing was required because of a past practice where the cooling water system was chemically treated with biocide to remove clams and other aquatic material that restricted water flow. This past practice is no longer needed, so the permit reauthorization will not require the testing.

Because of discharge reductions, Agrium may reduce its monitoring frequency from twice weekly to once monthly. During the past two years, the permittee complied with permit requirements and its discharges were well below permit limits.

II. APPLICATION REVIEW

The permittee (Unocal) submitted an application for permit reissuance to the Department of Ecology (Department) on December 1, 2002.

The scope and manner of the Department's review of an application for replacement of permit, and the Department's draft of a permit, must be sufficiently detailed as to insure the following:

- The permittee is in substantial compliance with all of the terms, conditions, requirements and schedules of compliance of the expired permit;
- The Department has up-to date information on the permittee's production levels; permittee's waste treatment practices; nature, content, and frequencies of permittee's discharge; either pursuant to the submission of new forms and applications or pursuant to monitoring records and reports resubmitted to the Department by the permittee; and
- The discharge is consistent with applicable effluent standards and limitations, water quality standards, and other legally applicable requirements listed in Chapter 173-216 WAC and Chapter 173-200 WAC.

Ecology reviewed the application for a permit for the Finley plant. It showed little or no change in the treatment process or the effluent characteristics. The volume of wastewater discharge, though, has decreased from a maximum of 70 MGD to an average of 14 MGD.

III. PERMIT REAUTHORIZATION

This fact sheet addendum accompanies the draft permit, which is to be reauthorized to the Finley plant for the discharge of wastewater to the Columbia River. The previous fact sheet is also part of this administrative record and explains the basis for the discharge limitations and conditions of the reauthorized permit.

The existing permit requirements, including discharge limitations and monitoring, do not need to be changed to protect the receiving water quality. The previous fact sheet addressed conditions and issues at the facility at the time when the previous permit was issued, and statements made reflected the status in 1998. Since the issuance of the current permit, the Department has not received any information which indicates that environmental impacts from the discharge that were not evaluated at the time of the last permit issuance is persuasive enough to undertake a complete renewal of the permit. Because anhydrous production has been permanently discontinued and production of aqua ammonia has been substantially reduced, Ecology is not undertaking a complete renewal of this permit. The reauthorized permit is virtually identical to the previous permit issued on June 1998.

The discharge limits and conditions in effect at the time of expiration of the previous permit carries over mostly unchanged to this reauthorized permit. Assessment of compliance and inspections of the facility during the previous permit term indicate that the facility should not be placed on a high priority for permit renewal.

The permit reauthorization process, in concert with the routine renewal of high priority permits, allows the Department to reissue permits in a timely manner and thus to minimize the number of active permits having passed their expiration dates.

The only changes to the previous permit are to its submittal date requirements and monitoring frequencies. Those requirements from the expiring active permit that were previously completed and submitted, do not require additional or continued assessment; we removed those requirements from the proposed reauthorized permit. The other standard compliance and submittal requirements carried over from the past permit have been adjusted to the proposed (reauthorized) permit schedule. No information has come forward to cause us to reconsider those submittal requirements.

The Department will publish a legal notice in the local newspaper, inviting people to read and evaluate the draft reauthorized permit during a period of at least 30 days. Only after such period can Ecology weigh the merits of the comments, revise as needed, and issue a final permit [WAC 173-220-050]. The Department now invites you to read both the fact sheet addendum and the draft permit reauthorization.

After the public comment period closes, we will summarize substantive comments and respond to them. The summary and response to comments will become part of the legal and historical file for the permit. Anyone who submits formal comments will receive a copy of the Department's response. Comments and any resulting changes to the permit, will be summarized in the fact sheet addendum, Appendix D—Response to Comments.

IV. PROPOSED PERMIT ISSUANCE

The Department proposes to reauthorize this permit, allowing the AGRIUM – Finley storage and transfer terminal to discharge its wastewater to the Columbia River for the next five years.

APPENDIX A – PUBLIC INVOLVEMENT INFORMATION

The Department proposes to reauthorize a discharge permit to the applicant listed on page 1 of this fact sheet addendum. The permit contains conditions and effluent limitations described and explained in the existing permit's fact sheet.

Public notice of this proposal will appear in the legal notices section of the August 9, 2006 edition of *the Tri-City Herald*. The notice will inform the public where to examine a printed copy of the proposed NPDES Permit reauthorization. And it will invite the reader to comment on the adequacy of our proposed permit reauthorization.

The existing NPDES permit and fact sheet, and the proposed permit reauthorization and fact sheet addendum, are posted on our web site. Download and examine the active (existing) permit and the (proposed) permit reauthorization from http://apps.ecy.wa.gov/industrial/.

You may also inspect a printed copy of all four documents between the hours of 8:00 a.m. and 5:00 p.m. weekdays, by appointment. Contact our Richland Regional Office, at 3100 Port of Benton Blvd., phone 509/372-7920. Or visit the Industrial Section at Department of Ecology's headquarters building at 300 Desmond Drive in Lacey, phone 360/407-6916.

Send your written comments to:

Department of Ecology Mark Dirkx, Industrial Section PO Box 47706 Olympia, WA 98504-7600

Ecology must receive your written comments about the draft permit reauthorization by close of business on September 11, 2006.

For good cause, you may request a public hearing about this proposal, but you must send your written request within the 30-day public comment period to the mailing address above. The request for a hearing must describe your interest in the permit and must explain why the hearing is warranted. If you persuade the Department that the public interest requires it, we will host a hearing in the local area (WAC 173-220-090). A public notice announcing any such formal event will be sent at least 30 days in advance of the hearing. Anyone who expressed an interest in this permit will receive an individual notice of hearing (WAC 173-220-100) by postal or electronic mail.